

Legislative Bulletin.....March 17, 2011

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H.R. 1076—To prohibit federal funding of National Public Radio and the use of federal funds to acquire radio content

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Key Take Away Points

- ***National Public Radio is an inherent role of the federal government?*** Programs and services that can be fully functional through private funding, or that are otherwise commercially available within civil society, should not depend on the luxury of taxpayer funding.
- ***NPR Doesn't Need It - Or Want It:*** Former NPR executive Ron Schiller stated that it would be “a good thing” for the organization to lose its federal funding.

NPR Inconsistency Alert!

- ***Struggling Stations? This Is NPR:*** NPR touts on their [website](#) the massive reach and scope it has in the radio market. According to The Atlantic, “with all allowances for counting differences, it reaches a lot more people than Fox does.” In fact, ***NPR was the only news organization to gain listeners last year.*** According to the [Business Insider](#), “NPR’s overall audience grew 3 percent in 2010, to 27.2 million weekly listeners, up 58 percent overall since 2000. In the last year, total staff grew 8 percent, and its Web site drew an average of 15.7 million unique monthly visitors, up more than five million visitors.”

Many NPR executives claim that local radio stations will suffer and potentially close if NPR loses its taxpayer provided subsidies. Some conservatives argue that with this success, NPR should be more than capable of attracting additional private funding to continue to successfully operate the approximately 800 stations under their scope.

- ***ESPN or NPR?*** Thanks to a massive national debt and a historic recession, American families are being asked to cut back on luxury items like cable television. This eliminates the option of watching many popular entertainment channels for families. Even if NPR is forced to drop some lesser known programs like “[Wait, Wait, Don't Tell Me](#),” they should not receive the luxury of taxpayer dollars to keep them on the air and be forced to

make the same economic decisions as every U.S. household.

Order of Business: The bill is scheduled to be considered on Thursday, March 17, 2011, under a closed rule ([H.Res. 174](#)), allows for the consideration of zero amendments, and allows for a motion to recommit.

Summary: In general, H.R. 1076 would permanently prohibit all federal funding to National Public Radio and their affiliate stations by denying funding for the Corporation for Public Broadcasting (CPB) for the payment of dues to NPR and for local stations to acquire or produce programming developed by NPR. Some of the highlights of H.R. 1076 are as follows:

The bill prohibits the use of federal funds, or paying dues, to an organization incorporated for the purposes of each of the following:

- To propose, plan and develop, to acquire, purchase and lease, to prepare, produce and record, and to distribute, license and otherwise make available radio programs to be broadcast over noncommercial educational radio broadcast stations networks and systems.
- To engage in research study activities with respect to noncommercial educational radio programming and broadcasting.
- To lease, purchase, acquire and own, to order, have, use and contract for, and to otherwise obtain, arrange for and provide technical equipment and facilities for the production, recording and distribution of radio programs for broadcast over non commercial educational radio stations, networks and systems.
- To establish and maintain one or more service or services for the production, duplication, promotion and circulation of radio programs on tape, cassettes, records or any other means or mechanism suitable for noncommercial educational transmission and broadcast thereof.
- To cooperate and participate with foreign broadcasting systems and networks in all aspects of international radio programming and broadcasting.
- To develop, prepare and publish information, data, reports and other materials in support of or relating to noncommercial educational radio programming and broadcasting.
- To otherwise forward and advance the development, production, distribution and use of noncommercial educational radio programs, materials and services, and to assist and support noncommercial educational radio broadcasting pursuant to the Public Broadcasting Act of 1967

Additionally, the bill clarifies that the use of federal funds for the acquisition of radio programs (including those over the internet) by or for use *only* by a public radio station. The bill defines federal funding as grants, loans, property, cooperative agreements, direct appropriations, and grants sub-grants from federal funds made available to a non-federal entity. Finally, the legislation makes conforming amendments to Section 396 of the Communications Act.

Background on CBP and NPR: On November 17 of last year, House Republicans held a procedural [vote](#) on a “you cut” proposal to consider legislation to terminate funding for NPR. Additionally, H.R. 1 eliminates all funding for the Corporation for Public Broadcasting (CPB), one entity that helps distributes federal funding for NPR programming.

- **NPR:** NPR receives approximately one to three percent of its budget from federal grant money federal grants, and other taxpayer sources and operate 797 radio stations across the country. According to NPR, most of its direct funding from taxpayers comes from

various sources like the including the Corporation for Public Broadcasting (CPB), the Department of Education, the National Endowment for the Arts, and even the Department of Commerce. CRS estimates that NPR's total direct funding consisted of \$5.2 million in FY 2010. However, NPR also receives indirect taxpayer funding because the CPB provides local public radio stations with grants to purchase programming and content produced by NPR. According to CRS, indirect programming fees consisted of \$56 million in FY 2010 because federal law requires that approximately 26% of federal grants to public radio stations be used for the production or acquisition of programming, including programming for national distribution.

- **CPB:** The Corporation for Public Broadcasting was created by the Public Broadcasting Act of 1967 as a private, non-profit organization with the intent of ensuring telecommunications services is available to all citizens of the United States. According to the Congressional Research Service, the CBP receives virtually all of its funding through federal appropriations; overall, about 15% of all public television and radio broadcasting funding comes from the federal appropriations that CPB distributes. According to NPR, approximately 2% of its operating budget comes from CPB. In 2010, taxpayers subsidized CPB with \$420 million, and it has requested \$608 million for their next funding cycle beginning in 2013. For this fiscal year, Congress appropriated \$430 million for CPB.

For additional background on the Corporation for Public Broadcasting, [click here](#) for a Congressional Research Service Report on the CBP and federal funding issues.

Additional Background: Last week, conservative activist [James O'Keefe](#) of ACORN fame, recorded conversations between an NPR executive Ron Schiller and a man claiming was from a fake group called the Muslim Education Action Center looking to donate \$5 million to NPR. The tape reveals that during the conversation, Mr. Schiller said it would be "*a good thing in the long run*" for NPR to lose its funding calls members of the TEA Party "seriously racist, racist people" and said "liberals today might be more educated, fair and balanced than conservatives."

In October of last year, NPR terminated the contract of their news analyst Juan Williams after NPR executive view remarks he made on Fox News about Muslims as "insensitive." Conversely, when NPR reporter Nina Totenberg stated she hoped Senator Jesse Helms got AIDS, she was not fired by NPR.

Vivian Schiller, NPR's chief executive officer who refused to resign over the Williams scandal despite calls from Congress and the public, resigned a day (March 10) after the O'Keefe video was release to the public. Ron Schiller (no relation) was also dismissed from NPR.

Conservative Note: Some conservative believe that in addition to eliminating taxpayer subsidies to National Public Radio, efforts should be taken to eliminate all taxpayer subsidized federal funding for the Corporation for Public Broadcasting (CBP). Some conservative believe that federal funding for the CBP is no longer relevant. The intent of federally-funded public broadcasting in the Public Broadcasting Act was to make "telecommunications services available to all citizens of the United States" (47 U.S.C. 396).

Today, over 99% of Americans own a TV and over 95% have access to the Internet. The Corporation's mission of ensuring universal access has been fulfilled and government-funded broadcasting is completely unnecessary. While the Corporation for Public Broadcasting airs several quality programs, it is perfectly capable of standing on its own two feet and not on the

financial shoulders of the American taxpayers. In this struggling economy, families are under pressure to make ends meet while their hard-earned money is being used to subsidize select television preferences. Representative Doug Lamborn (R-CO) has *introduced H.R. 68*, which would amend the Communications Act of 1934 to eliminate federal funding for the CPB.

Committee Action: None. The bill was introduced on March 15, 2011, and referred to the Committee on Energy and Commerce, which took no further subsequent action.

Administration Position: A Statement of Administration Policy is not available at press time.

Cost to Taxpayers: A CBO score of H.R. 1076 was not available at press time.

Does the Bill Expand the Size and Scope of the Federal Government? No, it arguably reduces the scope of government by relieving NPR of taxpayer funding.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? No.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment? No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits? An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: Article I, Section 8, Clause 1 of the United States Constitution allows for consideration of H.R. 1076.

Outside Organizations in Support of H.R. 1076: Americans [for Tax](#) Reform (ATR).

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